



## *Report to the Auburn City Council*

Action Item

Agenda Item No.

City Manager Approval

**To:** Mayor and City Council Members  
**From:** Jack Warren, Director of Public Works *AW*  
**Date:** February 23, 2009  
**Subject:** Wastewater Treatment Plant Upgrade Project/Regional Wastewater Project

### *The Issue*

#### *Conclusion and Recommendation*

Staff recommends that City Council, **BY RESOLUTION**,

1. Continue engineering design of onsite improvements to the wastewater treatment plant
2. Direct Staff to defer advertising of the onsite improvements to the wastewater treatment plant
3. Continue working with the Placer Nevada Wastewater Authority regarding the Regional Wastewater Treatment Project

#### *Background*

On October 27, 2008, the City Council directed staff to resume engineering design of the onsite wastewater treatment plant improvements and to continue dialog with Placer County regarding funding for the design work on the regional wastewater pipeline. The decision to continue with design for the onsite wastewater treatment plant was to stay on schedule if the Council decides to upgrade the City's wastewater treatment plant.

Since October, 27, 2008; Eco:logic, the City's consultant for design work for the onsite wastewater treatment plant improvements project has been working hard on the design. The City expects to have completed documents by middle of March. The completion of the plans and specifications for the onsite project enables to the City to avoid fines and other penalties.

Placer County has done an extensive outreach and polling exercise to the public in regards to the County upgrading their SMD 1 Wastewater Treatment Plant or going with the Regional Wastewater Treatment Facility project. Placer County staff brought this before the County Board of Supervisors on their January 13, 2009 meeting. The phone survey that was conducted as part of Placer County's outreach which was considered statistically significant indicated that 75% of SMD 1 prefers to upgrade SMD 1. County staff will be following up with a future action item to either pursue design and environmental review for the upgrade project or the regional project.

The Regional Project has had little progress during the last few months, but the City of Lincoln still remains a willing participant should either the City or the County or both elect to build the Regional

Project. Because of the economic slowdown, Lincoln is not pressing for immediate action as they were 6 months ago.

The Federal Economic Stimulus Package now working its way through Congress could have an impact on Auburn's decision. As staff understands it, portions of the "Package" for wastewater projects will be funneled through the State SRF Program-[State Revolving Fund} and directed to "shovel ready" projects that have discharge requirements. The state has stated that the SRF process will be made more user friendly, possibly 30 year loan as opposed to the current 20, and an interest rate below 3%. Based on this "promise" we have done some preliminary work to get an application into the State. However, all of this is speculative and may never become reality and without changes in the SRF program it may not be to Auburn's advantage.

Because the Auburn onsite project is the prototype of what we are told is wanted for an economic stimulus project, it would be in our best interests to defer making a decision as long as possible. If we were to advertise for bids for example, we could be disqualified. Staff is recommending we defer advertising until April/May 2009 if the Council does decide to continue with the onsite improvements. The onsite improvements need two full construction seasons which would require that the City advertise the onsite improvement project by May 2009 at the latest to ensure compliance with the Regional Board.

**Alternatives Available to Council; Implications of Alternatives**

1. Proceed with Staff Recommendation
2. Do not proceed with staff recommendation

**Fiscal Impact**

The adopted 2008/09 Sewer Budget included funds to design the onsite improvements which adequately funded the design work at \$800,000.

Attachment: Resolution

1 RESOLUTION NO. 09-  
2 RESOLUTION REGARDING CITY'S WASTEWATER TREATMENT PLANT  
3 IMPROVEMENT PROJECT.  
4 -----

5 THE CITY COUNCIL OF THE CITY OF AUBURN DOES HEREBY RESOLVE:

6 That the City Council of the City of Auburn does hereby authorize to

- 7 1. Continue engineering design of onsite improvements to the Wastewater  
8 Treatment Plant  
9 2. Direct Staff to defer advertising of the onsite improvements to the  
10 Wastewater Treatment Plant  
11 3. Continue working with the Placer Nevada Wastewater Authority regarding  
12 the Regional Wastewater Treatment Project.

13 DATED: February 23, 2009  
14

15 \_\_\_\_\_  
16 J.M. Holmes, Mayor

17 ATTEST:

18 \_\_\_\_\_  
19 Joseph G. R. Labrie, City Clerk

20 I, Joseph G. R. Labrie, City Clerk of the City of Auburn, hereby certify  
21 that the foregoing resolution was duly passed at a regular session meeting of  
22 the City Council of the City of Auburn held on the 23<sup>rd</sup> day of February 2009  
23 by the following vote on roll call:

24 Ayes:

25 Noes:

26 Absent:

27 \_\_\_\_\_  
28 Joseph G. R. Labrie, City Clerk